

RESOLUTION NO. ____

**RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
MAKING DETERMINATIONS**

**COMPREHENSIVE WATER SERVICE STUDY
SERVICE REVIEW
NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT**

WHEREAS, the Local Agency Formation Commission of Napa County (hereinafter referred to as “the Commission”) may conduct service reviews of local agencies pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq., hereinafter referred to as “Act”); and

WHEREAS, the Commission adopted a schedule for service reviews on October 11, 2001; and

WHEREAS, pursuant to Government Code Section 56430, the Executive Officer designated a countywide service review of public water service in Napa County, which includes territory served by the Napa County Flood Control and Water Conservation District; and

WHEREAS, pursuant to its adopted schedule, the Commission held a public workshop on the “Comprehensive Water Service Study”, including the service review of the Napa County Flood Control and Water Conservation District’s water services, on June 12, 2003; and

WHEREAS, the Executive Officer prepared a written report of this service review that was presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at its public workshop on June 12, 2003 and at meetings of the Commission on October 9, 2003, 2003, and December 11, 2003; and

WHEREAS, as part of this service review, the Commission is required pursuant to Government Code Section 56430(a) to make a statement of written determinations with regards to certain factors.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. In accordance with the adopted Local Agency Formation Commission Environmental Impact Report Guidelines, and applicable provisions of the California Environmental Quality Act (CEQA), the Commission hereby determines that this service review is exempt from the provisions of CEQA under Section 15306 of the State CEQA Guidelines (Title 14 of the California Code of Regulations Section 15306). The service review is a data collection and research study. The information contained within the service review may be used to consider future actions that will be subject to environmental review.
2. The Commission adopts the statement of determinations set forth in "Exhibit A" which is attached and hereby incorporated by reference.

The foregoing resolution was duly and regularly adopted by the Local Agency Formation Commission of Napa County, State of California, at a regular meeting held on the 11th day of December, 2003, by the following vote:

AYES: Commissioners _____

NOES: Commissioners _____

ABSENT: Commissioners _____

ATTEST: EXECUTIVE OFFICER

Clerk of the Commission

By: _____

EXHIBIT A

COMPREHENSIVE WATER SERVICE STUDY

SERVICE REVIEW

NAPA COUNTY FLOOD CONTROL AND WATER CONSERVATION

DISTRICT

STATEMENT OF DETERMINATIONS

1. With respect to infrastructure needs or deficiencies [Government Code §56430(a) (1)], the Commission determines that:
 - The Napa County Flood Control and Water Conservation District does not own, lease, or operate any facilities relating to the provision of water service. Due to its contractual relationship with its subcontractors, it is not anticipated that the District will pursue changes in its operations within the timeframe of this study.
 - Through its contractual agreements, the Napa County Flood Control and Water Conservation District administers imported water supplies on behalf of five cities and three special districts in Napa County. In accordance with its legislative mandate, the District should continue to explore opportunities to increase and enhance available water supplies through mutually beneficial water supply projects. These efforts will assist local water agencies to meet increasing service demands, while supplementing and conserving local water resources.
 - It is anticipated that the increase in demand projected by Napa County Flood Control and Water Conservation District's municipal subcontractors will necessitate a greater demand for withdrawals from the State Water Project. Accordingly, the District should continue to explore opportunities with the California Department of Water Resources and the Solano County Water Agency to ensure the timely availability of adequate capacity through the North Bay Aqueduct to coincide with these increased demands.
 - On behalf of its subcontractors, the Napa County Flood Control and Water Conservation District should continue to monitor conditions relating to current and future deliveries drawn from the State Water Project. These efforts will assist affected subcontractors to implement proper water supply planning contingencies to mitigate service constraints during below normal and dry year conditions, when deliveries are restricted.
 - In 2003, the Department of Water Resources issued the *State Water Project Delivery Reliability Report*. The report provides an assessment of State Water Project deliveries using historical precipitation rates along with projected land and water use demands through 2021. Notably, this report includes delivery estimates during drought periods. This report is a valuable tool for all State Water Project

contractors and should be incorporated into each of the District's affected subcontractors' water supply planning efforts.

- The Napa County Flood Control and Water Conservation District has made reasonable efforts to assist local public water agencies secure additional water supplies for supplemental and drought protection purposes. These efforts demonstrate a continued effort by the District to be responsive to the collective needs of Napa County by lessening the impact incurred by ratepayers during below normal and dry years when water supplies are at a premium.

2. With respect to growth and population projections for the affected area [Government Code §56430(a) (2)], the Commission determines that:

- Projected population growth within Napa County Flood Control and Water Conservation District's jurisdictional boundary will increase at a level identical to projected growth rates for Napa County. It should be expected that increases to the County's population will necessitate a greater demand for water service within the District's jurisdictional boundary. This increase in demand is expected to be largely accommodated by the District's municipal subcontractors.
- Population projections issued by the Association of Bay Area Governments (ABAG) are reasonable estimates of Napa County's current and future population. Population projections issued by ABAG for the County should be incorporated and used by the Napa County Flood Control and Water Conservation District as reasonable population projections for its jurisdictional boundary.

3. With respect to financing constraints and opportunities [Government Code §56430(a) (3)], the Commission determines that:

- The Napa County Flood Control and Water Conservation District's water conservation services are primarily financed from reimbursement fees collected from its subcontractors. These revenues cover actual costs of importing water supplies on behalf of its subcontractors along with administration fees based on staff time. This arrangement enables the District to recover all costs associated with its water conservation services, however, limits cost recovery to services that have been approved by the affected agencies.
- Opportunities for the Napa County Flood Control and Water Conservation District to increase revenues for its water conservation services through assessments are constrained by Article XIII of the California Constitution, which requires 2/3 voter approval to raise special taxes.

- In 1998, Napa County voters approved “Measure A” authorizing a special tax over a 20-year period for the purpose of funding specified flood control and watershed improvement projects. Revenue generated from this special tax is managed by a technical advisory committee and helps to finance District operations relating to flood control. An examination of this revenue source and its impact on the District’s flood control services should be evaluated as part of a future study.
4. With respect to cost avoidance opportunities [Government Code §56430(a) (4)], the Commission determines that:
- The Napa County Flood Control and Water Conservation District shares costs relating to its water conservation services with its subcontractors and other public agencies in Napa County who benefit from its services. It is anticipated that future costs incurred as a result of the District’s water conservation services will continue to be shared in this manner.
 - The Napa County Flood Control and Water Conservation District’s water conservation services are administered by the County of Napa’s Public Works Department. This arrangement allows the District to access a wide range of resources and enables it to share in the benefits of the County’s buying power.
5. With respect to opportunities for rate restructuring [Government Code §56430(a) (5)], the Commission determines that:
- The Napa County Flood Control and Water Conservation District does not determine imported water rates for its subcontractors; rates are determined by the United States Department of the Interior, Bureau of Reclamation, for entitlements drawn from the Solano Project and the California Department of Water Resources for entitlements drawn from the State Water Project. These rates are passed directly to each subcontractor based on their water usage along with an administration fee based on District staff time.
6. With respect to opportunities for shared facilities [Government Code §56430(a) (6)], the Commission determines that:
- The Napa County Flood Control and Water Conservation District and the Napa County Resource Conservation District share similar legislative responsibilities and jurisdictional boundaries. Due to their natural service relationships, opportunities to pursue cost efficiencies and shared facilities between these two agencies should be more fully examined in future studies.

7. With respect to government structure options, including advantages and disadvantages of consolidation or reorganization of service providers [Government Code §56430(a) (7)], the Commission determines that:
 - The Napa County Flood Control and Water Conservation District is authorized under its legislative act to provide a wide range of municipal services relating to the provision of water service in Napa County. Although its jurisdictional boundary overlaps several other public agencies in the County empowered to provide similar water services, the District provides a unique service: administration of master water supply agreements on behalf of multiple public agencies throughout the County.
 - The Napa County Flood Control and Water Conservation District is authorized under its legislative act to establish “zones” within its jurisdictional boundary for the purposes of establishing assessments to finance projects for the specific benefit of a particular area. This feature enables the District to act responsively to beneficial water quality and enhancement projects within a specified area, while limiting costs to property owners directly benefiting from the project. When appropriate, the District should explore opportunities to establish project zones within the County to assist public agencies and property owners to improve local water resources.
8. With respect to evaluation of management efficiencies [Government Code §56430(a) (8)], the Commission determines that:
 - The Napa County Flood Control and Water Conservation District provides an annual summary of past and projected revenues and expenditures relating to its water conservation services as part of its annual budget. The budget is adopted following a publicly noticed board meeting in which members of the public are allowed to comment and offer suggestions with respect to expenditures relating to the District’s water conservation services. In addition to enhancing the accountability of appointed representatives, the budget process provides a clear directive towards staff with respect to prioritizing district resources.
 - The Napa County Flood Control and Water Conservation District’s agreement with the United States Department of the Interior, Bureau of Reclamation, for annual entitlements drawn from the Solano Project requires it to ensure that all subcontractors receiving project water are equipped with approved measuring devices no later than 2004. The District should encourage its Solano Project subcontractors to implement these water measuring devices in a timely and efficient manner. Implementation of these measuring devices will enhance the District’s level of oversight and help to ensure withdrawals from Lake Berryessa are limited to each subcontractor’s contractual amount.

9. With respect to local accountability and governance [Government Code §56430(a) (9)], the Commission determines that:

- The Napa County Flood Control and Water Conservation District's board meetings are conducted twice a month and are open to the public. Public inquiries involving its water conservation services can be addressed to the board at this time. Regularly scheduled board meetings provide an opportunity for residents to ask questions of their appointed representatives, while helping to ensure that service information is being effectively communicated to the public.
- The Napa County Flood Control and Water Conservation District makes reasonable efforts to maintain public dialogue with the residents of Napa County relating to its water conservation services. These efforts facilitate local accountability and contribute towards public involvement in local governance.
- The Napa County Flood Control and Water Conservation District can improve its local accountability by including information relating to water conservation news and opportunities on its website. In addition, the District should publish an annual newsletter to Napa County households that includes information on water conservation opportunities and updates on current and planned water studies. These efforts would reinforce and enhance the District's legislative mandate to improve the County's water resources and strengthen public involvement in its water conservation services.
- The United States Department of the Interior, Bureau of Reclamation, has lease agreements with seven concessionary resorts at Lake Berryessa that will expire in 2009. The Bureau of Reclamation is currently developing a new long-term service plan in anticipation of issuing new concessionary agreements. New concessionary agreements could result in significant changes to existing uses and services at Lake Berryessa. The Napa County Flood Control and Water Conservation District should closely monitor the Bureau of Reclamation's plans for long-term uses at Lake Berryessa with respect to potential impacts to its vested subcontractors serving the Lake Berryessa area.
- In 1999, the Napa County Board of Supervisors went on record to encourage the Napa County Flood Control and Water Conservation District to develop and adopt a coordinated groundwater management plan. A coordinated countywide groundwater management plan offers the promise of greater protection for Napa County's groundwater basins against overdraft and contamination, while maximizing its long-term beneficial uses. The District should make a concerted effort to determine the feasibility of developing and adopting a groundwater management plan within the timeframe of this study.

Exhibit A

- The Napa County Flood Control and Water Conservation District's water conservation services are maintained and managed by a responsive and professional staff. These characteristics enhance local accountability and cultivate desirable working relationships with members of the public as well as other agencies.